

State of South Dakota

EIGHTY-EIGHTH SESSION
LEGISLATIVE ASSEMBLY, 2013

481U0189

HOUSE BILL NO. 1097

Introduced by: Representatives Gosch, Feinstein, and Lust and Senator Rave

1 FOR AN ACT ENTITLED, An Act to revise certain provisions relating to an employer's denial
2 of workers' compensation claims.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That § 62-1-1.3 be amended to read as follows:

5 62-1-1.3. If an employer denies coverage of a claim ~~on the basis that the injury is not~~
6 ~~compensable under this title due to the provisions of subsection 62-1-1(7)(a), (b), or (c) for any~~
7 reason under this Title or any reason permissible under Title 58, such injury is presumed to be
8 nonwork related for other insurance purposes, and any other insurer covering bodily injury or
9 disease of the injured employee shall pay according to the policy provisions. If coverage is
10 denied by an insurer without a full explanation of the basis in the insurance policy in relation
11 to the facts or applicable law for denial, the director of the Division of Insurance may determine
12 such denial to be an unfair practice under chapter 58-33. If it is later determined that the injury
13 is compensable under this ~~title~~ Title, the employer shall immediately reimburse the parties not
14 liable for all payments made, including interest at the category B rate specified in § 54-3-16.

